

United States Government

Department of Energy  
Oak Ridge Operations Office

# memorandum

DATE: December 4, 2000

REPLY TO

ATTN OF: AD-442:Fowler

SUBJECT: **CLARIFICATION OF BUYOUT AND EARLY OUT AUTHORITIES**

TO: All ORO Employees

There have been a number of inquiries regarding clarification of the Buyout Authority and how it is associated with Early Out Retirement. In previous years, the Oak Ridge Operations Office (ORO) was granted both Buyout authority and Early Out authority. However, this fiscal year ORO was only granted Buyout authority. Buyout authority solely allows an organization to offer its employees a cash incentive to leave the payroll through resignation or through regular/optional retirement. Buyout authority does not automatically confer early out authority. For this fiscal year in order for an employee to retire, he/she must meet the requirements for regular/optional retirement. An employee who wants to leave ORO, with or without a buyout, and who does not meet the following regular/optional retirement guidelines, must leave the payroll through resignation.

An employee covered by the Civil Service Retirement System must meet the following age and service requirements to be eligible to retire with an immediate annuity:

<u>Age is at least</u>	<u>and creditable service is</u>
55	30 Years
60	20 Years
62	05 Years

An employee covered by the Federal Employees Retirement System (FERS) is eligible to retire with an immediate annuity without any reduction if the following are met:

<u>Age is a least</u>	<u>and creditable service is</u>
Minimum Retirement Age (MRA)	30 Years
60	20 Years
62	5 Years

Also, an employee covered by FERS may retire with an immediate reduced annuity through the FERS option MRA plus 10. The retirement annuity is reduced permanently by five-twelfths of one percent for each full month by which the commencing date of annuity precedes the 62<sup>nd</sup> birthday of the employee. The reduction is 5 percent for each year the employee is under age 62. **The reduction under MRA plus 10 is permanent and does not stop when age 62 is reached.**

The MRA is the earliest age at which an employee may retire with an **immediate reduced annuity after 10 to 29 years** of service or with an **unreduced annuity after 30 years of service**.

<u>If Year of Birth is</u>	<u>The Minimum Retirement Age is</u>
Before 1948	55
1948	55 and 2 months
1949	55 and 4 months
1950	55 and 6 months
1951	55 and 8 months
1952	55 and 10 months
1953 - 1964	56
1965	56 and 2 months
1966	56 and 4 months
1967	56 and 6 months
1968	56 and 8 months
1969	56 and 10 months
1970 and After	57

We hope that the above information answers some of the questions you may have and assists those who are considering separating from ORO. Please contact your Personnel Management Specialist if you would like more information regarding your retirement eligibility or the buyout authority.



Carol Aytes, Acting Chief  
Personnel and Management  
Analysis Branch